

Medical leave of absence

Partners who are disabled and unable to work, and/or ineligible for Family/Medical leave or other time off permitted under state law, may be eligible for a Medical leave of absence.

Eligibility

Partners approved and receiving Starbucks short-term disability and/or state disability benefits (in California, Hawaii, New Jersey, New York or Rhode Island) may be eligible for a Medical leave of absence. A partner's total duration of absence (Family/Medical, State and/or Medical leave combined) cannot exceed 26 weeks.

You can request a medical leave for the following reasons:

- Pregnancy medical leave may be requested if you are unable to work due to pregnancy or childbirth. Pregnancy medical leave will be administered in accordance with applicable state laws.
- Medical leave may be available if you are not eligible for any state job-protected leave of absence.
- Medical leave may be available if you have exhausted the maximum 12 weeks of Family/Medical leave under Starbucks Family/Medical leave policy and require additional time off.

Applying

Medical leave approval is contingent upon approval for Starbucks short-term disability or state disability pay, if applicable. You must apply and be approved for disability pay in order to be approved for Starbucks Medical leave of absence.

Duration of leave

The length of time you can take under a Medical leave of absence will be based on the amount of time you are approved for Starbucks short-term disability or state disability benefits. However, a partner's total duration of absence (Family/Medical, State and/or Medical leave combined) cannot exceed 26 weeks. Leave in excess of 26 weeks will be evaluated as a request for Disability leave.

Reinstatement

Generally, you will be reinstated in the same job you held before your leave began. However, Starbucks cannot guarantee that you will retain the same position upon your return to work.

Pregnancy disability leave

Pregnancy disability leave is provided to you if you are unable to work due to pregnancy or childbirth. Pregnancy disability leave will be administered in accordance with applicable state law. No eligibility restrictions apply. Unless otherwise prohibited by state law and upon satisfaction of eligibility requirements, pregnancy disability leave will also be counted as Family/Medical leave under Starbucks policy.

Disability leave

A leave of absence may be granted to accommodate a disability, provided the leave is reasonable and does not impose an undue hardship on Starbucks operations. If your medical condition also qualifies as a serious health condition under Starbucks Family/Medical leave policy, your request for Disability leave will be treated as a request for Family/Medical leave. Disability leave may be available if Family/Medical leave is not available.

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Starbucks will require medical documentation to review in response to a request for leave as an accommodation of a disability. Your failure to submit medical documentation may result in denial of leave and/or separation from employment if the partner is unable to immediately return to work. Upon receipt of the required medical documentation, Starbucks will conduct a review to determine whether the leave may be reasonably accommodated.

Starbucks will make reasonable efforts to reinstate the partner returning from Disability leave to the same or similar position.

Military leave

Starbucks abides by all applicable federal and state laws in providing members of our military services with an unpaid leave of absence to attend to military duties. If you are a member of the military and receive notice of annual reserve training or active duty, you must immediately notify your manager to arrange for the time away from work. You may also be required to provide a copy of the military orders.

Eligibility

You are immediately eligible for Military leave upon hire.

Requesting military leave

To request a Military leave, contact Starbucks Benefits Center Leave Administration at (877) SBUXBEN. You will be asked to complete a Military Leave of Absence Notification form and return it to Starbucks Benefits Center Leave Administration prior to your leave start date.

Military allowance

When you are called to active military duty, Starbucks will pay the difference between your Starbucks pay and your military pay when your military pay is less than your Starbucks pay. An hourly partner's average weekly pay will be calculated on the basis of earnings for 26 weeks (or less if employed less than 26 weeks) prior to the commencement of military leave.

The military allowance will be paid for the duration of the Military leave, up to 78 weeks for a partner with at least six months of continuous service with Starbucks or up to 52 weeks for a partner with less than six months of continuous service.

A partner participating in annual reserve training or a partner whose military pay exceeds his or her regular pay with Starbucks will not be eligible for the allowance. In those instances, you may elect to use vacation time to substitute for any or all of the unpaid Military leave.

Reinstatement

When your military service ends and your combined periods of Military leave from Starbucks have not exceeded five years, you may be reinstated in the same or like position. You should contact your manager and/or Partner Resources generalist at the end of your Military leave to make arrangements for your return to work.

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Personal leave

An unpaid leave of absence for personal reasons is available in exceptional circumstances. To be eligible, you must have been continuously employed with Starbucks for at least 90 days. Personal leave is limited to 30 days and only one Personal leave will be granted every three years. A Personal leave of absence must be approved by both your manager and Partner Resources generalist or district manager (for retail partners). A partner on Personal leave will be required to use unused vacation pay to substitute for any or all of the unpaid Personal leave.

Personal leave is not available to attend school or to extend Family/Medical leave, Disability leave or vacation.

Career Coffee Break (sabbatical leave)

A Career Coffee Break leave is available to a partner with an interest in taking a break to travel, spend extended time with family and friends or pursue volunteer interests or additional education.

Eligibility

You are eligible for a Career Coffee Break after completing 10 years of continuous service and have a performance rating of "meets expectations" or better. Additional Career Coffee Breaks will be available to you after working seven consecutive years after the end of each leave.

Requesting a Career Coffee Break

You should request a Career Coffee Break at least six months prior to the requested leave commencement date. The request should be submitted in writing to your manager, with a copy to your Partner Resources generalist. Contact Starbucks Benefits Center Leave Administration at (877) SBUXBEN to initiate your leave. You will be required to complete and return a Starbucks Leave of Absence Request form signed and approved by your immediate manager and zone/department vice president.

The decision to grant the leave will depend on various factors, including your position, the timing and length of leave requested and current and future business needs. At all times, Starbucks retains sole discretion in determining whether a Career Coffee Break will be permitted. Employment with another company is not an appropriate use of the Career Coffee Break and generally will result in separation from employment with Starbucks.

Duration

The maximum duration for any approved Career Coffee Break leave is 12 consecutive months. The 12 months will be reduced by the amount of time you were absent due to an approved leave of absence taken during the 12 months preceding your leave. You will be required to use all vacation pay available while on leave. Sick pay and personal days are not available while on a Career Coffee Break.

You may apply for a Career Coffee Break leave to follow a Family/Medical or Personal leave, provided you apply for the Career Coffee Break at least six months prior to the first day of absence from work. When combined with any other type of leave or vacation, the total duration of the absence may not exceed 12 consecutive months.

Reinstatement

At the end of your leave, Starbucks will make every reasonable effort to reinstate you to your same or similar position. A position, however, is not guaranteed except when your total absence does not exceed six months, unless your position is eliminated as a result of a business restructure. While on leave, you are encouraged to stay in contact

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TIME OFF

with your manager and Partner Resources generalist. If your prior position is not available, you should begin the process to secure an alternate position well in advance of the end of your leave.

Pay while on a leave of absence

Leaves of absence are unpaid. However, you will be required to substitute any available sick pay if the reason for the leave is due to your own serious health condition or to care for an eligible family member with a serious health condition. Sick pay is only available when on a Family/Medical, State, Medical or Disability leave. Sick pay is not available when taking Military, Personal or Career Coffee Break (sabbatical) leave. If sick pay is not available or if the leave is for another qualifying purpose, you will be required to use vacation time for any or all of the unpaid leave.

A partner eligible for short-term disability benefits may receive partial reimbursement of lost wages if taking Family/Medical leave due to his or her own serious health condition. A partner who is unable to work because of an on-the-job injury or illness may be eligible for time-loss compensation through workers' compensation insurance.

Health coverage and insurance benefits while on a leave of absence

Refer to the Eligibility and Enrollment chapter for information about benefits, including health coverage, while on a leave of absence.

Questions?

For more information about what happens to your benefits coverage and eligibility while on a leave of absence, refer to the Eligibility and Enrollment chapter. If you have questions about time-off benefits, speak with your manager, Partner Resources generalist or Starbucks Partner Contact Center at (866) 504-7368. To apply for a leave of absence or to obtain more information, contact Starbucks Benefits Center Leave Administration at (877) SBUXBEN.

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ADOPTION

Making a decision to adopt a child — and then turning that desire into reality — can be a complicated, challenging and expensive process. Starbucks Adoption Assistance Program is designed to assist you with the costs of adopting.

Adoption Expense Reimbursement

How the plan works

All partners eligible for benefits are also eligible for adoption expense reimbursement. To be reimbursed for qualifying adoption expenses, you must be benefits eligible at the time your adoption expense is incurred. For more information about benefits eligibility, see the Eligibility and Enrollment chapter.

The adoption expense reimbursement benefit will reimburse you up to \$4,000 per attempted or successful adoption, up to a lifetime maximum of \$12,000 per partner, to help pay for qualifying expenses related to the adoption of a child(ren) under age 18. This includes the adoption of a foster child, a child from overseas or a child with special needs. Qualified expenses include reasonable and necessary adoption fees, legal fees, court costs and traveling expenses while away from home that are directly related to and for the principal purpose of the legal adoption of a child(ren).

If you and your spouse or domestic partner are both employed by Starbucks, only one of you is eligible for reimbursement for the same incurred expenses under this program, up to a lifetime maximum of \$12,000 per couple.

Taxation

The adoption expense reimbursement benefit is intended to meet the requirements of Section 137 of the Internal Revenue Code (currently set to expire December 31, 2010). By doing so, the benefit may be excludable from your gross income (if it is excludable, it will not be taxed). Unreimbursed adoption expenses may also be eligible for a tax credit up to IRS defined limits. Because the amount of the exclusion or tax credit will depend on your personal situation, you should check with a tax adviser on these provisions.

Starbucks will withhold Social Security and Medicare (FICA) taxes on the amount of the benefit you receive. Federal income taxes will not be withheld but may be owed if you do not qualify for the tax exclusion. State and local taxes may be withheld depending on where you live. The adoption benefit will be reported on your W-2 in Boxes 3 and 5 (Social Security, Medicare) and Box 13 with the code "T."

How to file a claim

Complete an adoption reimbursement request form and submit it to Starbucks Coffee Company, Attn: Benefits Department, P.O. Box 34067, Mail Stop S-HR3, Seattle, WA 98124-1067. Adoption reimbursement request forms, as well as a copy of the plan document, are available upon request from Starbucks Benefits Department through the Partner Contact Center at (866) 504-7368, or via email at healthprivacyoffice@starbucks.com.

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ADOPTION**Adoption Allowance****How the plan works**

All partners are eligible for the adoption allowance benefit. The adoption allowance provides up to two weeks of pay when you are not working to travel to pick up an adopted child and to settle the child in your home. A week of pay is calculated by averaging your weekly regular hours paid to you over the 26 weeks immediately preceding the adoption placement and multiplying it by your rate of pay in effect at the time you use the allowance. The allowance must be used within the first four weeks following the child's placement with you and is not contingent on your receiving adoption expense reimbursement benefits.

The adoption allowance benefit is not available when you are adopting a child of your spouse or domestic partner. It is also not available when you are adopting a child who already lives with you (for example, a grandchild, niece or nephew, or a foster child). If you and your spouse or domestic partner are both employed by Starbucks, your combined benefit is two weeks.

Taxation

The adoption allowance benefit is taxable and is not considered earnings for Bean Stock, S.I.P. and Future Roast 401(k) Plan purposes, for determining life insurance or disability benefits, or for other programs.

How to request payment

To request an adoption allowance benefit, call Starbucks Benefits Department through the Partner Contact Center at (866) 504-7368, or via email at healthprivacyoffice@starbucks.com.

Questions?

For more information about Starbucks adoption assistance program, call Starbucks Benefits Department through the Partner Contact Center at (866) 504-7368, or via email at healthprivacyoffice@starbucks.com.

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TUITION REIMBURSEMENT

Tuition reimbursement helps to cover a portion of the cost of tuition, books and other expenses as you advance your professional development.

Eligibility

To participate in the tuition reimbursement program, you must:

1. Be a partner on the U.S. payroll, or a U.S. expatriate partner working for Starbucks in another country but remaining on the U.S. payroll
2. Have a minimum of one continuous year of service from your most recent date of hire, and
3. Be considered eligible for Starbucks benefits plans (what Starbucks refers to as “benefits eligible” for medical, dental, vision, etc.) on your term start date. If you have questions regarding your benefits eligibility, you may speak with a Starbucks Benefits Center representative at (877) SBUXBEN.

To be eligible for reimbursement, you must be an active partner at the time your reimbursement benefit is processed by Starbucks payroll.

Benefits eligible status

As discussed above, you must be benefits eligible on your term start date. If you lose benefits eligibility after your term has begun, your loss of eligibility will not affect your eligibility for reimbursement of your approved course. However, you must become re-eligible for benefits before any additional courses will be approved.

Tuition Reimbursement Benefit

The maximum reimbursement is based on your position and length of continuous service at the beginning of each calendar year as shown below:

PARTNER POSITION	CONTINUOUS LENGTH OF SERVICE (as of January 1 each year)	MAXIMUM CALENDAR YEAR REIMBURSEMENT
Up to director level	Less than 36 months	\$500
	36 but less than 60 months	\$750
	60 months or more	\$1,000
Director and above*	All lengths of service	\$500

*Maximum calendar year reimbursement for directors and above is restricted by IRS nondiscrimination rules.

Director level or above

To provide a non-taxable benefit, IRS regulations require that tuition reimbursement programs may not favor partners who are considered by the IRS to be “highly compensated.” By applying a maximum benefit of \$500 to partners in positions of director or above, Starbucks improves its ability to pass required discrimination testing.

If a partner is promoted to director during the year, the reimbursement benefit determined at the beginning of that calendar year will remain in effect for the rest of the year. The calendar year maximum benefit then becomes \$500 starting on January 1 of the year following the promotion to director.

TUITION REIMBURSEMENT

Reimbursement amount

Your maximum reimbursement amount is determined annually. On the first day of each January, your length of service is calculated, establishing your benefit amount for the calendar year. Benefits eligible partners who have less than one year of continuous service on January 1st do not become eligible for the tuition reimbursement benefit until their one-year anniversary date later in the calendar year.

Here are a couple of examples:

- Jim was hired April 3, 2009. He will become eligible for a tuition reimbursement benefit on April 3, 2010, provided he remains employed the entire time and is eligible for benefits on his course/term start date. On April 3, 2010, Jim's potential benefit would be \$500 because he has less than 36 months of service.
- Pat's hire date was June 28, 2006, and she completed 30 months of service on January 1, 2009. This would qualify Pat for a \$500 maximum benefit during the 2009 calendar year. On January 1, 2010, Pat will have completed 42 months of service, qualifying her for a \$750 maximum benefit during calendar year 2010.

The calendar year maximum benefit is reduced by the amount of the tuition reimbursement benefits paid to you for courses that conclude in that calendar year – regardless of the date the course was approved or commenced. For example, a course approved in December 2009 for a class that concludes in March 2010 will be applied against the 2010 calendar year maximum.

Benefit taxation

The tuition reimbursement benefit is not subject to federal income tax. In some states, the tuition reimbursement benefit is subject to state income tax when the course is not job related. If this applies, Starbucks will withhold state income tax from your tuition reimbursement benefit.

Other educational assistance

The tuition reimbursement program is designed to provide financial support to help you reach your educational goals. You are encouraged to seek additional sources of financial aid to supplement the Starbucks program.

Partners who receive grants, scholarships and/or Veteran's Administration benefits should fully utilize these sources of assistance prior to using Starbucks tuition reimbursement program. All financial aid must be disclosed on the tuition reimbursement application.

Expenses Eligible for Reimbursement

The cost of tuition, books, class-required supplies and required fees, such as exam or lab fees, charged to students for the approved course are eligible for reimbursement.

Expenses not listed above are not eligible. These would include, but are not limited to, parking, late registration fees, purchase of a personal computer, and general school supplies. Expenses related to professional meetings, workshops, conventions, licensures, insurance costs, and preparation for tests are also not eligible.

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TUITION REIMBURSEMENT

Eligible Educational Programs

Degree and certification programs must directly prepare you for a job at Starbucks and be provided by an approved educational provider. Individual courses that do not prepare you for a job at Starbucks will qualify when that course is required in the pursuit of a qualifying degree. A few examples of the many eligible degrees include finance, food science, agronomy, law and music theory. All requests to modify the current approved degree and certification lists will be reviewed by Starbucks Benefits Department. If appropriate, modifications to the approved lists are made quarterly.

Eligible educational programs include:

- Associate's, Bachelor's, Master's and Doctoral degree programs; eligible courses include all coursework required to complete an approved degree
- Adult Basic Education (ABE), General Educational Development (GED) and English as a Second Language (ESL) programs
- Professional Certification Programs (programs must have a measurable course completion requirement beyond attendance and participation)

Examples of study programs not covered include, but are not limited to:

- Degrees or courses of study in areas that are not related to Starbucks business
- Individual courses for Continuing Education units
- Individual courses for sports, recreation or hobbies, unless part of an approved degree program
- Seminars and workshops

To review the list of approved degrees and certifications, visit Starbucks Benefits Source at www.mysbuxben.com and select Tuition Reimbursement from the drop-down list.

If your educational institution, degree and/or certification is not on this list, contact a Starbucks Tuition Reimbursement representative at (888) 860-2235 for more information.

Degree programs and individual courses

Degree programs and individual courses must be provided by a nationally or regionally accredited educational provider that results in college credit. Requests to modify the approved educational institution list will be reviewed by Starbucks Benefits Department. If appropriate, modifications are made quarterly.

Accreditation is a status granted to educational institutions found to either meet or exceed academic quality standards established by an accrediting agency through an assessment process. Accreditation assures the partners and Starbucks that the course and/or educational institution meets academic quality standards, including academic core values of performance, integrity and quality assurance.

Certification programs

Certification programs must be provided by an agency that has met the standards of the credentialing organization and is authorized to grant certification.

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TUITION REIMBURSEMENT

Applying for Course or Certification Pre-Approval

You may complete your course study in class, by video, via the Internet or by self-study.

Three ways to apply

You can submit an application to Starbucks Tuition Reimbursement Center for preapproval online, by fax or by mail.

- **Online.** Link to the tuition reimbursement website from Starbucks Benefits Source at www.mysbuxben.com.
- **Fax or mail.** A printable application form with instructions is available at Starbucks Benefits Source at www.mysbuxben.com.

For partners without Internet access, an application form can be requested from Starbucks Tuition Reimbursement Center at (888) 860-2235.

Additional information when a paper application is submitted:

- Separate applications are required for courses at different schools.
- Separate application forms are required for different course dates.
- Complete additional application forms when more than four courses are being submitted for pre-approval.
- Incomplete applications will not be processed and will be denied, in which case a new complete application will need to be submitted.

Application deadline and approval

Your application must be received by Starbucks Tuition Reimbursement Center within a 51-day timeframe that begins 30 days before the first day of the term and ends 21 days after the start of the term. Applications received outside of this timeframe (i.e., too early or too late) will be denied. You must be benefits eligible on the term start date for your application to be approved.

Once your application has been successfully completed and submitted to Starbucks Tuition Reimbursement Center, it will be reviewed for eligibility. If submitted via the website, your application will be reviewed within five business days. If you fax or mail your application, it will be reviewed within 10 business days of receipt. If additional information is needed, the review process may take longer.

Notification of the approval or denial of the application, or notification of missing information, will be sent to you via email (if provided) or home address. The status of a partner's application can be reviewed online by linking to the Starbucks Tuition Reimbursement home page from Starbucks Benefits Source at www.mysbuxben.com or by calling (888) 860-2235 and using the automated phone response system.

Upon application approval, you pay the tuition and applicable course fees directly to the school or certification program administrator and purchase your textbooks. Upon successful course completion, submit within 60 days of the term end date a Request for Reimbursement form with grades, itemized receipts and proof of payment. You must be an active partner at the time your reimbursement benefit is processed by Starbucks payroll to receive the reimbursement benefit.

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TUITION REIMBURSEMENT

Falsified documents or application

It is your responsibility to submit copies of original, unaltered documents and fully disclose all required information (e.g. receipt of scholarship money) as required during the application and/or reimbursement processes. Falsification and/or purposeful omission of required information may result in corrective action up to and including suspension or termination of employment.

Dropped courses

If you drop a course, that course no longer qualifies for reimbursement. Notify Starbucks Tuition Reimbursement Center in writing via fax to (888) 860-2235 if you drop a class.

Filing a Request for Reimbursement

To be eligible for reimbursement, submit the following via fax to (888) 860-2235 **within 60 days from the last day of the term:**

- A copy of your Course Approval Notification sent from the Starbucks Tuition Reimbursement Program Administrator or a completed Reimbursement Request Form. Reimbursement Request Forms can be printed from the Resources page of the Starbucks Tuition Reimbursement website (link from Starbucks Benefits Source at www.mysbuxben.com) or call (888) 860-2235
- The original document of a passing grade report of C- or better, or a "pass" for a pass/fail course, or a certificate or documentation indicating achievement of professional certification for a certification program
- Itemized invoice of tuition and fees
- Itemized receipt for textbook purchases
- Proof of payment

If a receipt clearly indicates you received a grant/scholarship, the grant/scholarship amount will be deducted from the tuition reimbursement benefit amount. Documentation that is not legible or is altered in any way will not be accepted.

Receipts should identify the partner, partner number and the educational institution attended.

The receipts must also:

- Provide an itemized breakdown of tuition, books and fees. (If the school does not itemize, then the receipt must have documentation from the school explaining this each time you submit for reimbursement.)
- Show covered expenses have been paid in full.

Payment

Once approved, you will be reimbursed on a regular paycheck, typically within two paychecks following the approval. You must be an active partner at the time your payment is processed by Starbucks payroll department to be eligible for reimbursement.

If you are overpaid in error for any reason, you are expected to reimburse Starbucks the full amount of the overpayment.

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TUITION REIMBURSEMENT

Separation and rehire

If your employment ends before the successful completion of a course and payment of the reimbursement benefit, you are not eligible for reimbursement for that course, even if you are rehired prior to course completion.

Rehired partners must re-satisfy the one year of continuous service requirement upon return to Starbucks to be eligible for future tuition reimbursement. Prior periods of service do not count for establishing eligibility or the amount of available benefit.

Request for Review of Denial

If you believe an application for course approval or request for reimbursement was denied inappropriately, you may request a review for reconsideration. The request must:

- Be submitted to Starbucks Tuition Reimbursement Center in writing via mail or fax at (888) 860-2235 within 60 days of the original denial, and
- Include appropriate supporting documentation

An initial review will be conducted and communicated to you within 30 days.

If the application or request denial is upheld, you have 30 days from the date of the second denial to submit new information. Send the second request for review and the new information via fax to (888) 860-2235.

The request must be submitted by the 15th of the month to be reviewed in that month. A final decision will be mailed to your home address, generally within 60 days of receipt of the second request for review. All decisions are final and not subject to further review.

Approved Leave of Absence

If you take an approved leave of absence, you will remain eligible to participate in the tuition reimbursement plan provided you meet the benefits eligibility and service requirements.

Termination of Employment

If your employment with Starbucks ends for any reason, including death, before you have received reimbursement, your reimbursement request will not be processed. To receive reimbursement, you must remain employed with Starbucks through the date your reimbursement is processed by Starbucks Payroll department.

For More Information

Questions about the tuition reimbursement program should be directed to Starbucks Tuition Reimbursement Center at (888) 860-2235. Information is also available by linking to the tuition reimbursement site from Starbucks Benefits Source at www.mysbuxben.com.

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COMMUTER BENEFIT PROGRAM

Do something good for the environment and your budget by signing up for Starbucks Commuter Benefit Program. It's a way for you to pay for your commuting expenses with before-tax dollars.

Plan Overview

Whether you take the bus, the subway or park your car, you can save money on most work-related commuting expenses by paying for them with before-tax dollars.

Starbucks has partnered with WageWorks, a leader in the commuter benefits area, to provide eligible partners an easy way to pay for work-related commuter expenses through before-tax payroll deductions. By using before-tax dollars, the average partner's tax savings, over a year, could cover one or more months of commuting expenses.

How to Participate

- Log onto the WageWorks website at <https://employee.wageworks.com>, or talk to a WageWorks Customer Service Center representative at (877) 924-3967 to set up an account and make your commuter and/or parking selections. The system leads you through the options available to you.
- Deductions are taken out of your paycheck to pay for your selection.
- Your pass is mailed to your home for your convenience.

When you set up your account, you will be asked to verify your name, date of birth, mailing address and the last four digits of your Social Security number.

Eligible Transportation Expenses

Eligible transportation expenses must be work-related and include:

- Bus, train, subway, ferry, transit vehicles and street car fares
- Vanpool fees
- Monthly parking fees at a garage or lot
- Parking meter, parking lot cash box, and park-and-ride fees

Examples of transportation expenses that are NOT eligible include:

- Taxi fare
- Bridge tolls
- Mileage reimbursement costs (see Starbucks travel policy for mileage reimbursement rules)
- Expenses related to maintenance of a personal vehicle, including fuel costs
- Costs associated with bicycling
- Valet parking fees
- Work-related commuter expenses incurred by your spouse, dependents or friends

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COMMUTER BENEFIT PROGRAM

Work-related expenses only

Only your own work-related expenses are eligible. IRS regulations do not allow this program to cover commuter expenses for your spouse, dependents or friends.

Eligibility

All regular U.S. partners on the U.S. payroll, excluding SSC and Kent Roasting Plant partners, are eligible to participate (different transportation options are available for SSC and Kent Roasting Plant partners). There is no length of service or minimum hours requirement.

You lose eligibility if you:

- Separate from the company
- Are on a leave of absence on the second-to-the-last calendar day of the month
- Do not have enough pay at the end of the month to cover your deductions
- Report that your pass was not delivered to you more than twice

You regain eligibility after you:

- Come back to work for Starbucks as a regular partner on the U.S. payroll
- Return from a leave of absence
- Pay what you owe, through payroll deductions, if your monthly pay was not enough to cover your deductions

To apply for eligibility if you reported more than twice that your pass was not delivered to you, you must submit a written explanation of your situation to the plan administrator via email at TRANSPASS@starbucks.com. You will be notified whether your eligibility reinstatement request was approved or denied within 30 days of receipt of your written explanation.

If you regain eligibility, you will need to re-enroll if you wish to participate again in the program. You will NOT be automatically re-enrolled.

How the Program Saves You Money

After successfully making your selection(s), deductions will be taken out of your paycheck on a before-tax basis, up to the IRS before-tax deduction limit. Deductions that are made on a before-tax basis do not have federal income or FICA taxes withheld (and in most cases, state taxes). Taxes not taken out of your paycheck offset the commuter expense, which saves you money.

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Below is an example of how the savings works:

TRANSACTION	AMOUNT
Partner purchases a \$100 monthly transit pass (deducted from paychecks)	\$100.00
Tax savings (tax NOT withheld)	
• 10% federal income tax (\$100 x 10%)	(\$10.00)
• 7.65% FICA tax (\$100 x 7.65%)	(\$7.65)
Net tax savings	(\$17.65)
Net expense to partner	\$82.35

In this example, one year's worth of tax savings would cover more than two months of commuting expenses (\$17.65 x 12 = \$211.80).

Your federal tax rate is determined by your annual income and deductions. The higher the federal tax rate, the greater the tax savings will be. The FICA tax rate is fixed at 7.65% for 2009 (FICA is Social Security and Medicare taxes).

Calculate your potential savings

Calculate your potential savings by logging in to your account at <https://employee.wageworks.com>, click on the "Commuter" button and select "Calculate Savings." In just a few clicks, you can find out how much you can potentially save in one year by participating in this program.

Make, Change or Cancel Your Selections

You can make, change or cancel your participation online at <https://employee.wageworks.com> or by speaking to a WageWorks Customer Service Center representative at (877) 924-3967. After your selection is successfully completed, you will receive an email confirmation. You can change your transportation and/or parking selection(s) each month to match your commuting needs.

Order deadline, deduction and receipt of pass timeline

The deadline to make, change or cancel your selections is 8:59 p.m. Pacific Time on the 1st of the month for the following month's benefit. For example, if you won't need an October pass, you must cancel your selection on or before September 1. If you cancel after September 1, you will receive the October pass and deductions will continue until your October pass is paid for.

Following the successful completion of your selection, deductions will start coming out of your paycheck after the first of the month.

Your pass will generally be mailed about 10 days before the start of the month. For example, if you make your selection by September 1 for the purchase of an October pass, your October pass will be mailed to your home by September 20.

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Below is a sample timeline:

MONTHLY ENROLLMENT PERIOD	PAYROLL DEDUCTIONS	PASS MAILED BY:	BENEFIT MONTH
August 2 – September 1	September paychecks	September 20	October pass

Payroll deductions

Your monthly deductions are taken out of your paycheck as follows:

- If paid weekly: out of the first four paychecks of the month
- If paid biweekly: out of the first two paychecks of the month

For example, if you receive a paycheck every other week (biweekly) and your monthly deduction amount is \$100, you would have a \$50 deduction taken out of the first two paychecks each month.

Monthly deduction limits

Effective March 1, 2009, the IRS monthly limit for before-tax deductions is \$230 for eligible transportation and \$230 for eligible parking expenses, for a combined monthly before-tax deduction limit of \$460.

You can choose deductions up to \$500 per month for eligible transportation expenses and \$500 per month for eligible parking expenses (a combined monthly benefit of \$1,000). Deduction amounts above the IRS monthly before-tax limits are taken out of your paycheck on an after-tax basis.

The 2009 IRS before-tax and additional after-tax monthly deduction limits are :

BENEFIT	IRS MONTHLY BEFORE-TAX LIMITS	ADDITIONAL MONTHLY AFTER-TAX LIMITS	TOTAL MONTHLY BEFORE-TAX AND AFTER-TAX COMBINED LIMITS
Transportation	\$230	\$270	\$500
Parking	\$230	\$270	\$500
Total	\$460	\$540	\$1,000

If your commuting expenses exceed \$500 per month for transportation and \$500 for parking, you must pay for the excess expense out-of-pocket.

Maintaining Your Mailing Address

Your address, as shown on your paycheck, is provided to WageWorks and is the address that your pass will be mailed to. When you enroll, you will be asked to verify your address. If your address has changed, or is wrong, please update it on the Portal via My Partner Info (Partner Self Service). This way, your paycheck, and all other important communications, will reach you.

You have the option of changing your delivery address on the WageWorks website; *however*, any changes you make on the WageWorks website will NOT come back to Starbucks. Therefore, to update your address with Starbucks and

COMMUTER BENEFIT PROGRAM

WageWorks, the best and preferred method is on the Portal via My Partner Info. As long as you have never updated your address directly on the WageWorks website, changes made on My Partner Info will be passed to WageWorks. However, if you personally update your address on the WageWorks website, your address will never be updated by the weekly file sent by Starbucks and you will be responsible for maintaining and updating your Commuter Benefit address from that point forward.

Commuter options

You can select weekly or monthly transit passes or parking options, based on what is offered in your area. Don't need a weekly or monthly option? Sign up for the WageWorks commuter transit card or commuter parking card. These pre-loaded cards can be used at your convenience at most transit agency ticket vending machines and ticket windows.

You may make a selection every month or select the "Every Month" option, which will automatically re-load your commuter transit card or commuter parking card on the 20th of each month until you cancel or change your ongoing "Every Month" order. Any unused amount will remain on your card for use in the following month.

Log on to the WageWorks website at <https://employee.wageworks.com> for full details of the options available in your area.

If you do not receive your pass

If you do not receive your pass in the mail by the first day of the month, you must contact WageWorks by the third business day of the month in order to qualify to have a replacement pass sent to you – at no additional cost.

Replacement passes are NOT available if:

- Your pass is delivered to a post office box
- You have a forwarding address
- Your address is updated after the monthly enrollment/selection deadline
- You call after the third business day of the month

Important:

You are responsible for making sure your address is correct and secure for delivery and receipt of your pass via U.S. mail. You will lose eligibility if you claim more than two separate times that your passes were not delivered to you.

Lost or stolen pass

In the event your pass is lost or stolen, in general, the policies of the transit agency that issued the pass will apply. You must contact that transit agency to request a replacement pass, provided they have a lost-pass policy. Typically, you must register your pass with the transit agency to qualify for a replacement pass. **It is highly recommended that you register your pass with the appropriate transit agency. This registration must be completed by you; it is not completed by WageWorks or by Starbucks.**

However, if you selected a pre-loaded WageWorks Commuter Transit Card or WageWorks Parking Card and it is lost or stolen, please contact WageWorks directly.

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COMMUTER BENEFIT PROGRAM**If You Leave Starbucks**

You lose eligibility to participate in the program and your selections are cancelled when you leave Starbucks. Any pass or commuter card that you have in your possession, or is mailed to you after your separation, is yours to keep and use. Outstanding deductions, if any, will be taken from your last paycheck. If you are re-hired before the end of the year and there is an outstanding deduction on record upon re-hire, the amount owed will be deducted from your first paycheck. Any amounts owed that remain uncollected at year-end or after you leave will show up on your W-2 as a taxable benefit.

If you take a leave of absence

You are not eligible to participate in the Commuter Benefit Program while on leave. You are not considered "active" while on leave and therefore are not eligible for before-tax commuter benefits deductions per IRS regulations since you are not commuting to work. If you are on a leave of absence on the second-to-last calendar day of the month, your commuter selections will be cancelled.

Managing Your Account

Once you have your Commuter Benefit account set up on the WageWorks website, you can manage your account by logging on and clicking on the "Commuter" button to:

- Make, change or cancel your selections
- Calculate your potential savings
- Print a claim form (for Parking - Pay Me Back)
- View information about commuting and/or parking benefits
- Edit your account profile information

Keep your contact information current

It is important that you keep your email address up-to-date with WageWorks to make sure you continue to receive your order confirmations as well as notices about fare increases, before-tax limit changes, or other important program information. If you provide a phone number in your account profile, a WageWorks representative can call you if needed.

For More Information

Contact WageWorks Customer Service Center at (877) 924-3967, available weekdays, 5 a.m. to 5 p.m. Pacific Time, for the following issues:

- Partner elections
- Parking and transportation options
- Transit locations
- Non-delivered passes

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COMMUTER BENEFIT PROGRAM

Contact the Starbucks Partner Contact Center at (866) 504-7368 for the following issues:

- General eligibility
- Pay-related issues
- Address, birth date and SSN on record

The Partner Contact Center (PCC) hours of operation are weekdays, 8 a.m. to 7 p.m. Central Time. Monday is the busiest day for the PCC. For shorter wait times, it is best to call between Tuesday and Friday.

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YOUR RIGHTS AND RESPONSIBILITIES

In this chapter, you can see at a glance who serves as the administrator of each benefit, how the coverages are financially structured and what your rights and responsibilities as a plan member are under ERISA, COBRA and other laws for the health and welfare plans. See the Future Roast 401(k) Savings Plan chapter for similar information on that plan.

Effective March 1, 1987, Starbucks adopted the Starbucks Corporation Group Health and Welfare Plan, which included medical, dental, and vision coverage. Effective October 1, 1994, Starbucks adopted the Starbucks Corporation Dependent Care Reimbursement Account as part of the Starbucks Corporation Group Health and Welfare Plan. Effective October 1, 1997, the Group Health and Welfare Plan provided the following types of insured and self-insured benefits: medical benefits, including mental health, chemical dependency, and employee assistance benefits; dental benefits; vision benefits; a health care reimbursement account; a dependent care reimbursement account; optional long-term disability coverage; and optional accidental death and dismemberment coverage. For purposes of the annual report filed pursuant to ERISA, this Plan is assigned plan number 501.

Effective June 1, 1987, Starbucks adopted the Starbucks Corporation Group-term Life and Disability Plan. This Plan provided the following types of insured benefits: long-term disability benefits; group-term life insurance benefits, including optional coverage for partners, spouses and domestic partners, and children. For purposes of the annual report filed pursuant to ERISA, this Plan is assigned plan number 503.

Effective July 1, 1990, Starbucks adopted the Starbucks Corporation Premium Plus Plan. This Plan was a cafeteria plan that permitted partners to elect before-tax salary reduction contributions to the benefit programs included in the Group Health and Welfare Plan and the Group Term Life and Disability Plan. For purposes of the annual report filed pursuant to ERISA, this Plan is assigned plan number 506.

Effective October 1, 1999, Starbucks merged the Starbucks Corporation Group Term Life and Disability Plan and the Starbucks Corporation Group Health and Welfare Plan into the Starbucks Corporation Premium Plus Plan and renamed the merged plans as the Starbucks Corporation Welfare Benefits Plan (the "Plan"). The Plan continues to use plan number 506 for purposes of the annual report filed pursuant to ERISA.

Effective January 1, 1988, Starbucks adopted the Starbucks Corporation 401(k) Plan and Trust. This plan provides a cash or deferred arrangement that is intended to be qualified under ERISA. For purposes of the annual report filed pursuant to ERISA, the Plan uses plan number 001. See the Future Roast 401(k) Savings Plan chapter for specific Plan information.

This book serves as a Summary Plan Description for each of the above named Plans. This book also serves as a legal plan document for each of the above named plans excluding the Future Roast 401(k) Plan.

Plan Administrator

Starbucks may appoint a person or committee to serve as the plan administrator. If no person or committee is appointed, then Starbucks shall serve as the plan administrator.

The principal duty of the plan administrator is to see that the Plan is carried out, in accordance with its terms, for the exclusive benefit of persons entitled to participate in the Plan. The administrative duties of the plan administrator

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YOUR RIGHTS AND RESPONSIBILITIES

include, but are not limited to, interpreting the Plan, prescribing applicable forms and procedures, determining eligibility for and the amount of benefits, and authorizing benefit payments and gathering information necessary for administering the Plan. The plan administrator may delegate any of these administrative duties to one or more persons or entities, provided that such delegation is in writing, expressly identifies the delegate(s) and expressly describes the nature and scope of the delegated responsibility. The plan administrator may also employ and engage such persons, counsel and agents and obtain such administrative, clerical, medical, legal, audit and actuarial services as it may deem necessary in carrying out the provisions of the Plan.

Each participant must provide the plan administrator with such information as the plan administrator may require in connection with the administration of the Plan. All forms and other communications from any participant or other person to the plan administrator required or permitted under the Plan must be in the form prescribed from time to time by the plan administrator, must be mailed by first-class mail or delivered to the location specified by the plan administrator, and will be deemed to have been given and delivered only upon actual receipt by the plan administrator.

Starbucks will bear the incidental costs of administering the Plan, to the extent they are not paid from partner contributions.

Rights of Participants

The adoption and maintenance of Starbucks benefits plans is not a contract of employment between Starbucks and any partner.

Nothing contained in the plan documents, insurance contracts, trusts, Summary Plan Descriptions or any other related documents gives any partner the right to remain employed by Starbucks or interferes with Starbucks right to discharge any partner at any time.

Similarly, nothing in the documents described above gives Starbucks the right to require any partner to remain employed by the company or interferes with the partner's right to end employment with Starbucks at any time.

Plan Amendment or Termination

Starbucks or any other authorized person reserves the right to amend the Plan at any time and for any reason. In some cases, an amendment may be retroactive. Although Starbucks adopted the Plan with the intention that it is to be continued indefinitely, the company also reserves the right to terminate the Plan at any time, and for any reason.

Disclaimer

Except where such power and authority is given to an insurance company, the plan administrator has the power and discretionary authority to carry out its duties under the Plan, including, without limitation, the discretionary authority to construe and interpret the terms and provisions of the Plan, to decide all questions of eligibility for and the amount of benefits under the Plan, to decide all issues of fact or law, to prescribe such forms as it deems necessary or appropriate for the proper administration of the Plan, and to appoint such other persons as it deems necessary or appropriate to act on its behalf or to assist it in carrying out its duties. Any interpretation or construction of or action by the plan administrator with respect to the Plan and its administration shall be conclusive and binding on any and all affected parties and persons.

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With respect to health coverage administered by Premera Blue Cross (medical, dental, prescription drugs, mental health, chemical dependency) and reimbursement accounts (health care and dependent care), Premera Blue Cross, as claim fiduciary, has the discretionary authority to determine entitlement to benefits for each claim received and to construe the terms of the Plan. With respect to coverages that are insured, the insurance company has the discretionary authority to determine entitlement to benefits for each claim received and to construe the terms of the insurance contract.

The provisions of the Plan shall not be construed to limit a participant's choice of treatment or services. Each participant shall be solely responsible for deciding the care that he or she receives and shall make such decision independent of any determination by the Plan.

Failure to enforce any provision of the Plan or group contract at any time does not mean that the right to enforce that provision at another time has been waived. The Plan shall be construed in accordance with applicable federal law and to the extent otherwise applicable, the laws of the State of Washington, except to the extent provided otherwise in the governing documents for the fully-insured coverages. If any provision of the Plan is held illegal or invalid for any reason, such determination shall not affect the remaining provisions of the Plan which shall be construed as if the illegal or invalid provision had never been included.

Starbucks does not represent or guarantee that any particular federal or state income, payroll, personal property, Social Security or other tax consequences will result from participation in the Plan. A participant should consult with professional tax advisors to determine the tax consequences of participation.

In the event any benefit under the Plan is payable to a person who is under legal disability or is in any way incapacitated so as to be unable to manage his or her financial affairs, the plan administrator may direct payment of such benefit to such person or to a duly appointed guardian, committee or other legal representative of such person, or in the absence of a guardian or legal representative, to a custodian for such person under a Uniform Gifts to Minors Act or to any relative of such person by blood or marriage, for such person's benefit. Any payment made in good faith pursuant to this provision shall fully discharge Starbucks and the Plan of any liability to the extent of such payment. In the event an incorrect amount is paid to or on behalf of a participant or beneficiary, any remaining payments may be adjusted to correct the error. The plan administrator may take such other action it deems necessary and equitable to correct any such error.

PLAN INFORMATION FOR STARBUCKS CORPORATION WELFARE BENEFITS PLAN

Starbucks Employer Identification Number is 91-1325671

Plan Number	506
Plan Year	October 1 through September 30
Plan Administrator and Sponsor	Starbucks Corporation, c/o Benefits Department 2401 Utah Avenue South, Mail Stop S-HR3 Seattle, WA 98134 (206) 447-1575
Agent for Service of Legal Process	Starbucks Corporation, c/o General Counsel 2401 Utah Avenue South, Mail Stop S-LA1 Seattle, WA 98134 (206) 447-1575

YOUR RIGHTS AND RESPONSIBILITIES

PLAN FUNDING	NATURE OF SERVICE
<p>Funded from Starbucks general assets or partner contributions</p> <p>Paid first through partner contributions with remaining claims paid from Starbucks general assets:</p> <ul style="list-style-type: none"> • Medical • Prescription drugs • Dental • Vision • Mental health/chemical dependency <p>Paid through insurance contracts with premiums paid partially from Starbucks general assets and partially through partner contributions:</p> <ul style="list-style-type: none"> • Long-term disability claims are paid under an insurance contract with Unum Corporation • Partner group term life claims are paid under an insurance contract with Hartford Life and Accident Company • Medical claims are paid under an insurance contract with HMSA and Kaiser Permanente <p>Paid through contributions made by partners:</p> <ul style="list-style-type: none"> • Health care and dependent care reimbursement accounts <p>Paid through insurance contracts and insurance premiums paid by partners:</p> <ul style="list-style-type: none"> • Voluntary partner group term life insurance • Voluntary spouse or domestic partner group term life insurance • Voluntary child group term life insurance • Voluntary long-term disability <p>Paid through insurance or other contract with premiums paid by Starbucks:</p> <ul style="list-style-type: none"> • Medical claims are paid under insurance contracts with CIGNA International <p>Paid through contract with Magellan Behavioral Health, Inc.:</p> <ul style="list-style-type: none"> • Employee Assistance Program 	<ul style="list-style-type: none"> • Premiera: Processes claims for medical, dental, prescription drugs, mental health/chemical dependency, reimbursement accounts; claims fiduciary • HMSA: Provides medical and prescription drug insurance (Hawaii) • Kaiser Permanente: Provides medical and prescription drug insurance (Hawaii and California) • VSP: Processes claims for vision • Unum Corporation: Provides insurance and processes claims for long-term disability • Hartford Life and Accident Company: Provides insurance and processes claims for partner, spouse or domestic partner and child group term life insurance and AD&D • CIGNA International provides medical insurance (expatriates, international travelers) • Magellan Health Services: Provides and administers the Employee Assistance Program <p>For address and phone numbers of these providers, see the Where to Get Help chapter.</p>

Coordinating Your Benefits

Your Starbucks benefits plans, like many other plans, have a coordination of benefits (COB) provision. Under this provision, the amount normally reimbursed under your Starbucks plan may be reduced to reflect payments made by any other plan under which you're covered. If you or your dependents are covered under more than one plan, the COB rules determine which plan pays first (primary) and which plan pays second (secondary).

YOUR RIGHTS AND RESPONSIBILITIES

When Starbucks plan is primary

As a general rule, if the COB rules of both plans agree that Starbucks plan is primary and the other plan is secondary, Starbucks plan will pay benefits first. After Starbucks plan has paid benefits, you must submit the claim to your secondary plan(s) to receive any additional benefits.

When Starbucks plan is secondary

As a general rule, if the COB rules determine that Starbucks plan is secondary, the benefits paid under Starbucks plan are reduced by the amount paid by the primary plan. In this case, you'll want to send your claim to your primary plan first. After your primary plan has paid benefits, you must submit your claim to Starbucks plan, and it will pay any additional benefits to bring the total benefit paid to the amount Starbucks plan would have paid if it were the primary plan. (If you are enrolled in the HMSA Preferred Provider Plan or Kaiser HMO, consult your health plan's guide to benefits for coordination of benefits provisions.)

In many cases, this means that Starbucks plan will pay nothing. Here are two examples.

Example #1:

Your spouse or domestic partner has a cavity filled for a fee of \$60. He has dental coverage through his employer. Therefore that plan is primary. He is also covered as your dependent through Starbucks dental plan. So Starbucks is secondary coverage.

PLAN COVERAGE	COORDINATION-OF-BENEFIT-ORDER	PLAN-PAYABLE
Coverage under Starbucks plan: 80% of \$60 = \$48	Secondary	\$48
Less coverage by spouse's plan: 80% of \$60 = \$48	Primary	(\$48)
Payable by Starbucks plan		\$0

Example #2:

Your dependent child has a root canal for a fee of \$650. Your child has dental coverage through your spouse's plan (primary) and Starbucks plan (secondary).

PLAN COVERAGE	COORDINATION-OF-BENEFIT-ORDER	PLAN PAYABLE
Coverage under Starbucks plan: 80% of \$650 = \$520	Secondary	\$520
Less coverage by spouse's plan: 50% of \$650 = \$325	Primary	(\$325)
Payable by Starbucks plan		\$195

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No Dual Coverage

Remember, if you and your spouse or domestic partner both work for Starbucks, you may not have dual coverage. In other words, you cannot be covered both as a Starbucks partner and as a dependent of your spouse's or domestic partner's plan — and vice versa. If each of you is covered by Starbucks benefits as partners — and not as a dependent of the other's coverage — then certain rules apply.

- Your children can only be covered as dependents under one of your Starbucks plans — not enrolled under both parents' coverage.
- You can cover one child under one partner and another child under the other partner.

How to determine which plan is primary

Let's say you are covered by a Starbucks benefits plan and another group plan, such as your spouse's or domestic partner's medical plan. The COB rules listed below apply.

1. The other plan is primary if it has no coordination of benefit provision.
2. The Starbucks plan covering you as a Starbucks partner is primary and pays benefits before the other plan covering you as a dependent.
3. The plan covering your spouse or domestic partner as an employee is primary and pays benefits for your spouse first if the Starbucks plan covers your spouse as a dependent.
4. Coverage for dependent children is determined as listed below:
 - The plan of the parent whose birthday falls earlier in the year — regardless of the birth year — is primary and pays benefits first.
 - If both parents have the same birthday, the plan covering one parent for a longer period of time is primary and pays benefits first.
 - If the other plan does not have the parents' birthday rule described above but instead has a rule based on parental gender, that gender rule will determine the order of benefits.
5. Coverage for dependent children of parents who are separated or divorced is determined as listed below:
 - If there is a court decree that gives both parents joint custody of the child without stating which parent is responsible for the child's health care expenses, the parents' birthday rules, specified in (4) above, will determine the order of benefits.
 - If there is a court decree making one parent financially responsible for the medical, dental or other health care expenses of the child, that parent's plan will be primary and pay benefits first. This rule supersedes the birthday rule (4) above.
 - If there is no court decree and the parent with custody of the child has not remarried, that parent's plan is primary and pays benefits before the plan of the parent without custody.
 - If there is no court decree and the parent with custody of the child has remarried, that parent's plan is primary and pays benefits first. The stepparent's plan is secondary and pays benefits second, if that stepparent's plan covers the child as a dependent. The benefits of the parent without custody will pay last.

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6. If rules (1) through (5) above do not establish any order of payment, the plan that covers you under a right of continuation pursuant to federal or state law — such as COBRA — is secondary and pays benefits after the plan that doesn't cover you under this kind of continuation. If the other plan doesn't have a continuation provision, then this exception does not apply.
7. If rules (1) through (5) above do not establish any order of payment, the plan that covers you as an active employee, or as a dependent of an active employee, is primary and pays benefits first. The plan that covers you as a laid-off or retired employee, or as a dependent of such a person, is secondary and pays benefits second. If the other plan doesn't have a provision about laid-off or retired employees, then this exception doesn't apply.
8. If rules (1) through (7) above do not establish any order of payment, the plan that covers you the longest is primary and will pay benefits first.

Effect of Medicare

Coverage will not be changed at any time when Starbucks compliance with federal law requires your Starbucks benefits for you or your dependents to be figured before benefits are figured under Medicare.

For example, if you are actively working and enrolled in a Starbucks benefits plan but eligible for Medicare because of age alone, the Starbucks plan will remain primary in most circumstances.

Your coverage under Starbucks plans may be changed, however, if you or a covered dependent becomes eligible for Medicare under other circumstances.

A partner or dependent is eligible for Medicare if he or she:

- Is covered under it
- Is not covered under it because of having:
 - » Refused it
 - » Dropped it
 - » Failed to make proper request for it

If Medicare will be primary:

- The total amount of “regular benefits” under all Starbucks plans will be figured. (This will be the amount that would be payable if there were no Medicare benefits.) If this is more than the amount Medicare provides for the expenses involved, Starbucks plan will pay the difference. Otherwise, Starbucks plan will pay no benefits. This will be done for each claim.
- Charges used to satisfy a partner's or a dependent's Medicare Part B deductible will be applied under Starbucks plan in the order received by Premiera Blue Cross. Two or more charges received at the same time will be applied starting with the largest first.

Submitting claims

If your dependent is covered under another benefits plan and your Starbucks plan is secondary, you must submit your claim to the other plan first. Certain information may be requested from you in order to apply the COB rules.

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Usually, your Starbucks benefits will not be paid until proof of payment, such as an Explanation of Benefits (EOB), is received from the primary plan.

Benefits Eligibility Request for Review

If you believe that an incorrect decision has been made regarding your eligibility to enroll in, change or terminate any of Starbucks benefits available to you, you may ask the plan administrator to review the decision.

You have 60 days in which to submit a request for review. Your appeal must:

- Be in writing
- Provide specific information regarding the basis for your appeal, and
- Include all supporting documentation.

Your written request for review must be received no later than 60 days after the date on which your benefits were affected. For example, if your benefits terminate on April 30 because you were not paid enough hours to maintain eligibility, you will have until June 29 (60 days) to submit your request for review. If you miss a deadline and your benefits are affected or enrollment denied, you will have 60 days after the deadline in which to submit your request for review. Requests that are received late may not be eligible for review.

The plan administrator will provide you with written notice of its decision within 60 days of the date it receives your appeal. If special circumstances require an extension of time to review your appeal, you'll be notified of the extension within the initial 60-day review period. An extension will provide the plan administrator 60 additional days in which to respond.

If, upon review, the eligibility determination you are requesting be reviewed is upheld, you'll be provided an explanation of the reason(s), as well as references to the plan provisions on which the decision is based. The decision of the plan administrator is final and is not subject to further review or appeal.

Benefits Claims

How to request a review of a claim

Each of the various claims administrators or insurance carriers (e.g., Premera Blue Cross or Unum) has different procedures in place for requesting a review of a benefit determination. These procedures are described in the applicable sections of this book, or may be set forth in the Explanation of Benefits issued by the administrator or carrier.

If you submit a claim that is denied and you believe the denial was made in error, first contact the administrator or carrier directly, and follow its specific procedures on how to request a review of a benefit determination.

If you have followed the third-party administrator or insurance carrier's procedures for benefit review and believe the result is incorrect, you may file a written appeal as outlined in the section that follows.

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